GOVERNMENT OF INDIA
CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION
LOK SABHA

UNSTARRED QUESTION NO:2651
ANSWERED ON:21.03.2005
IMPORT OF PALM OIL
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Will the Minister of CONSUMER AFFAIRS, FOOD AND PUBLIC DISTRIBUTION be pleased to state:

(a) the countries from where the palm oil is being exported currently;

(b) whether the lower prices of palm oil prevailing in the country due to unrestricted import has led to hardships to the farmers; and

(c) if so, the steps taken by the Government to ensure remunerative price to the farmers?

Answer

MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE AND MINISTER OF STATE IN THE MINISTRY OF CONSUMER AFFAIRS, FOOD & PUBLIC DISTRIBUTION (DR. AKHILESH PRASAD SINGH)

(a): Malaysia and Indonesia are the two major exporters of palm oil.

(b) & (c): Import of edible oils including palm oil (except coconut oil) is under Open General Licence (OGL). In order to harmonise the interests of farmers, processors and consumers and to regulate large import of edible oils to the extent possible, the import duty structure on edible oils is reviewed from time to time.

Some of the steps taken to ensure remunerative price to the farmers are:-

(i) Customs duty on crude palm oil/crude palmolein has been increased from 65% to 80% and on refined palm oil /RBD palmolein has been increased from 75% to 90% with effect from 15.2.2005;

(ii) Enhanced incentives to the farmers through fixation of Minimum Support Price (MSP) of major oilseeds;

(iii) A restructured Centrally Sponsored Scheme `Integrated Scheme of Oilseeds, Pulses, Oil palm & Maize` (ISOPOM) is being implemented in certain states for increasing the production and productivity of oilseed including oil palm.

(iv) Assistance is also provided for production of foundation and certified seeds, distribution of certified seeds, distribution of seeds minikits, infrastructure development, integrated pest management (IPM), supply of sprinkler sets and distribution of rhysobium culture etc.

(v) Market Intervention Scheme (MIS) is being implemented through National Agricultural Cooperative Marketing Federation of India Ltd. (NAFED) for the purchase of oil palm Fresh Fruit Bunches (FFBs).